



THE SATURDAY REVIEW

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SIXPENCE

CORONATION DAY has set a priceless premium on the chances of fine weather for May 12. For motives that are profound and therefore vital the whole nation has concentrated its hopes on the pageantry of a particular day and no one born in these islands would dare to bet on the weather being fine. Our scientific experts steadily travel from bad to worse in the accuracy of their prophecies concerning the future weather and it is at least consoling that they were not consulted as to the date of the Coronation, an occasion which is so terribly dependent on the clouds and mists that surround our earth. Neither bunting, drapery nor coloured paper can compare with the magic that the Sun can throw, even over a sordid scene, and those who will watch the ceremony protected from the elements are a small fraction of those whose loyalty will be shown by their acceptance of the worst that the weather can send. May their loyalty be rewarded with sunshine!

CORONATION HONOURS are in the air, and no doubt in the minds of many anxious people. Those whose anxieties are satisfactorily relieved next Wednesday will have the additional pleasure of knowing that their honours will cost them nothing. It has long been an anomaly that those whom the King delights to honour should pay for their privilege. In the old bad days the fees went directly to the King: witness the origin of the baronetage. More recently they have gone to public funds, though in special cases they have been remitted as an act of grace. No doubt the fees went towards the salaries of the officials concerned, who will still have to be paid, in fact by us all. Still this is a sensible change, and abolishes a small grievance of the deserving poor.

ALL THE DOMINION PREMIERS are already in London, and with the arrival of Mr. Huggins, the Premier of Southern Rhodesia, who has been flying to this country from his colony, the Imperial circle will be complete. Our Imperial representatives are here, of course, for a double purpose: to take part in the ceremony and celebrations of the crowning of a Sovereign to whom the whole Empire owes allegiance and also to participate in what is likely to prove one of the most momentous of our Imperial Conferences. Foreign affairs and defence will be the main topics of that Conference, but there are also other matters of great concern to the whole Empire—such as aerial and other communications, shipping and immigration—which will certainly form the subjects of earnest discussion. All the parties to the Conference will not find themselves in complete agree-

ment on all points that may be deliberated, but in essentials the results of these discussions should help to bring about a unity of counsel that has hitherto been lacking and which is most desirable in the interests of the Empire as a whole.

AT LEAST we are promised a Coronation with all the symbols of returning prosperity. In the days of depression and despondency, the most sensational newspaper could not find the shadow of a strike to barb its headlines with desirable hair-raising vehemence. To make us all certain that we are moving fast on the road of recovery, the busmen have chosen this moment to remind the citizens of London that walking is the most healthy of exercises and that the world lived happily before the invention of the internal combustion engine. From the foreigner's point of view we are an amazing people. Face to face with a strike affecting some five million people, our respect for the seventh day's repose was such that the Commission of Inquiry could not possibly meet for at least sixty hours after the strike came into operation. In the eyes of the world the week-end habit is one of our weakest points. If an enemy power had started dropping bombs on London on Friday night, would the Commission of Inquiry have been able to get to work before Monday? One hopes that there may be one or two officials in the Admiralty, possibly even in the Air Ministry—the wildest optimist would not hope to find one in the War Office—who are on duty when their fellow citizens are playing golf. It is almost certain at any rate that the Committee inquiring into an enemy air-raid would have met on the Monday morning, even if its Chairman had had a previous engagement.

BUSES, OR OMNIBUS as that great Latinist Mr. Godley, Public Orator of Oxford, would have said, are still absent from our streets, as we write; but there seems a reasonable prospect that a settlement will be reached before the Coronation. The men have a better case than the unthinking may imagine. This is not a strike for increased wages but for betterment of conditions which the men claim are intolerable and incompatible with health and a reasonable life. To an outsider the solution seems fairly obvious. A slight increase in fares and rather less speed would surely meet the case. Many of the fares have not been increased since before the War, in spite of increased wages, higher cost of petrol and greater comfort. But there can be no justification for the date chosen for the strike, which was obviously chosen to force a quick settlement before next week.

EIRE IS THE NAME under which in future Mr. de Valera wishes the Irish Free State to be called. There seems no reason why he should

not call it what he likes, though as few of us outside Ireland and not very many within are conversant with the Irish language, one would have thought that "Free State" would have been more valuable as propaganda. Eire (pronounced Aira, we are told) implies Ireland as a whole. So far Mr. de Valera has not been able to absorb the Six Counties, so for the moment he is content to do so verbally. When the Treaty was signed after the War, the term Irish Free State was agreed to after much discussion, the term "Republic" being rejected on the British side. "Free State" was a compromise only accepted by the Irish delegates when they realised that in Irish the word Saorstaat was the only word for a republic. Apart from this verbal change there is nothing in the new constitution that makes any difference. Nobody seems one penny the worse, or the better.

AS PRESIDENT of the National Association of Boys' Clubs, the Duke of Gloucester is carrying on the good work in which his brother was so much occupied before he came unexpectedly to the Throne. The King, as he writes in a gracious message, has "always taken the keenest interest in the Association"; and it will be remembered that as Duke of York he established that annual camp in which boys of public schools and of other ranks worked and played side by side. Such schemes do more to break down class barriers than much political ranting. It may, by the way, be forgotten that the idea which the Duke of York made so effective was first put into practice by Clifton College some sixty years ago, when boys from Clifton and working boys from Bristol went into camp together. The seed thus sown has bore fruit an hundred fold.

OXFORD'S refusal to be represented at the Gottingen University celebrations seems to be fully justified by recent events, regrettable as it is that a break should occur in the relations between two societies so closely associated in the past. More than a fifth of the academic staff at Gottingen have been dismissed on political and racial grounds, and it has been left for freer countries to do their best to enable some fifty unfortunate scholars to continue their work. In the circumstances it would be impossible for those who believe, with Newman, that freedom from Government interference is of the essence of a University to join with any real conviction in such rejoicings as are about to take place at Gottingen.

THES CINEMAS are making many changes for Coronation week, but there is not space to do much more than give an indication of what the new pictures are about. First and foremost there is the second screen adaptation from Kipling, *Captains Courageous*, at the Empire. This magnificent story of the sea has been very well filmed, with Freddie Bartholomew as the spoiled boy, and Spencer Tracy and Lionel Barrymore as Manuel Fidello and Disko Troop. *Glamorous Nights*, Mr. Novello's Drury Lane show, is at the Regal; it is unsophisticated entertainment, but Mary Ellis

is in good voice and has been well photographed. Another musical show, *Maytime*, with Jeanette MacDonald, is at the Carlton. The first Kipling screen adaptation, *Elephant Boy*, has been replaced at the Leicester Square with *History is Made at Night*, the title of which speaks for itself, and the stars of which are Charles Boyer and Jean Arthur. Errol Flynn plays the chief part in *The Prince and the Pauper* at the Gaumont in the Haymarket. Those who saw and enjoyed the Crazy weeks at the Palladium, can see their six favourite lunatics at the New Gallery in the screen version of their latest piece of idiocy, *O Kay for Sound*; and lastly there are Flora Robson and Leslie Banks in a drama, *Farewell Again*, at the Plaza. These programmes, taken as a whole, are above the average, and are excellently varied so that visitors to London should find little trouble in picking out a film which should appeal to them.

AT THE ROYAL ACADEMY the private view was the usual social function until tea-time, after which those who had come to see the pictures were able to do so in comfort. When one compares modern exhibitions of pictures with those before the war one is apt to think them dull with no problem picture and a too large majority of portraits. This year one misses many old friends, some through death and some by inclination and some, worthy of a better fate, through the selection committee. The average of the painting is good, and here and there a striking picture stands out among its fellows. "Osmaston Manor," by Mr. Newton, is one such and, though possibly a little too carefully detailed in treatment, the first impression is an uplifting of mind and body, as though a window were suddenly opened in a stuffy room. Munings also brings his usual atmosphere of sunlight and open air, but this year he has given more space to the horses and less to the sky and landscape. In his picture of the late King George on his pony he has relied on a greenish tone throughout which, though effective, is not so pleasing as his better-known style.

OF THE MANY PORTRAITS, the late Harrington Mann's study of Mrs. John Carpenter is a lovely piece of work. Robert Greenham has two interesting canvases, Edna May Oliver as Betsy Trotwood, and Greta Garbo as Anna Karenina, both very simply painted in tones of yellowy-green, a curious and effective treatment. George Belcher lives up to last year's high achievement with two character studies, of which "The Bag," a picture of a charlady, is the cleverer. Dame Laura Knight has six pictures, probably the most popular being a large canvas of a lady seated in a box watching a performance of clowns at the Palladium. Mr. Gerald Brockhurst also shows half a dozen pictures. His best work is a very striking portrait of Merle Oberon. One has the feeling about this painter's work, however, that he may do it once too often—he is in danger of becoming too photographic in his finish. Another fine portrait is that of Bishop Vesey in full canonicals by Reginald Lewis.

Leading Articles

GOD SAVE THE KING

THOSE who write about a Coronation at the beginning of every reign are bound to be brought face to face with the special circumstances that preceded it. In the days before Queen Victoria stamped the impress of her character on the nation, the security of the Hanoverian dynasty was not established as an unquestionable fact. It is said that at the coronation of King George III a Jacobite threw down a glove in challenge to the Champion's gauntlet, and King George IV learned the falsity of the dictum that the King can do no wrong when at his coronation the applause of those who cheered the pageant was broken by the hisses of the supporters of Queen Caroline who was forbidden the Abbey. — It would be hypocritical to ignore the special circumstances connected with the present ceremony. A Prince who had won the affection of his subjects throughout the Empire withdrew from the dignity that was his by birth, claiming for himself the right that belongs to every human being—to solve for himself his own personal problem in this transitory life.

The Coronation has given the Empire an occasion to prove that its loyalty to the Throne remains unshaken. In these times of tyrannies and revolutions our people cling more closely than ever to the symbol which alone unites the Empire. Queen Victoria, Edward VII, George V in their lives and reigns preserved among the storms and commotions of pseudo-democracy a rallying-point and an ideal. With unerring instinct their devoted subjects realised that in royalty alone was there anything solid and enduring, and that conviction has steadily grown while the storms and commotions of politics have been whipped into increasing disorder. It was not always so: confident Republicans flourished in Victorian days, and Edward VII prophesied that his grandson would be the last King of these islands. It is only that experience proves the futility of putting our trust either in the elected representatives of the people or in the tyrants of Communism or Fascism. We have found that it is better to put our trust in princes who are born to the tradition of "noblesse oblige" than in any other child of man.

Upon the king! let us our lives, our souls,
Our debts, our careful wives, our children, and
Our sins lay on the king!

For this reason the inhabitants of these islands and the Empire have gathered to London to do obeisance to the new King who demands lip-service from none of his subjects. He stands to-day as the greatest King on the face of the earth, and there is no potentate who can show his presence to his people with less protection and elaboration of police precautions. The glorious defender of the dictatorship of the proletariat only appears in public when his person has been surrounded with every defensive device conceivable to ward off the murderous intent of some member of that autocratic proletariat. In the totalitarian state the men who

express the universal will go out to their daily avocations as if they were plunging into the heart of battle, girt round by a bodyguard sworn to die for their leader. Even in our country kings must neglect "infinite heart's ease . . . that private men enjoy." Yet at least they can believe in the love and loyalty of every man of their own people.

There is much to be said for pageantry, especially in this drab age. It is possible that a Coronation procession with its intricate wealth of meaning and tradition may wake a sense of shame in those whose sense of beauty finds satisfaction in the ugliness of a modern house, mildly mitigated by good plumbing and the possession of a death-dealing car. Many of them use that car to carry them into beauty, into the world where Nature rules in accordance with a law that ignores both for good and ill the prescriptions of human wisdom. If it had been possible for London to rise to the occasion and present its visitors with a pageant worthy of the occasion, a real step forward might have been made in the road of progress from which the nation shies like a restless horse. It was an English poet who said, "Beauty is truth, truth beauty," and no people denies the dictum more fiercely than the English people. We may have no Rubens to call in to decorate our city, but must we spend lavishly to produce a spectacular effect worthy only of the blind? All those who witness the Coronation will have to take the will for the deed and, shutting their eyes to the decorations of the streets, call on their imaginations to provide a fitting background to the pageantry of the procession.

Memory is short-lived and few can check their remembrance of the Coronation of Edward VII thirty-five years ago by reference to their letters at the time as Lady Milner has in the *National Review*. Strange things happened to the decorations then as well as now. It seems a little odd to-day that red, yellow and blue should be the predominant colours on Constitution Hill, but that is a minor matter to the anomaly that attracted Lady Milner's attention in 1902.

All the streets are decorated in Italian colours, the contract having been given to an Italian firm and no stipulations made about the flags, so they have gratified their national feelings and done us up in red, white and green!

The crowds of those days *mutatis mutandis* could compare with ours.

The streets blocked, thousands upon thousands of people in carriages, cabs, char-à-bancs, omnibuses, pony carts, motors, market carts, and still more thousands on foot, everyone in the highest spirits. . . . I took a cab across London, a real wilderness of flags, paper flowers and red baize.

It is pleasant to note that that rarity the motor car was sandwiched in between a pony cart and a market cart, and we may be thankful that red baize is no longer as popular as it was. One thing however that the London of those days did not suffer from was the danger of a provincial invasion that might swamp every precaution and wreck the dignity of the ceremony which had assembled the

people. A last-minute assault of motor coaches was not among the problems with which the police were faced.

The facilities of scientific transport are apt to reduce the possibility of real pageantry to absurdity. In better days the limits of the ideal State were bounded by the range of Stentor's voice. To-day for all we know the herald's sound waves may be carried to the stars, where if they arrive a few hundred light years after the herald has spoken they may cause some confusion in the mind of the stellar historian. There is nothing inherently magnificent in size or numbers. Saul was pardonable in his annoyance that David should be preferred to him merely because he had slain tens of thousands against thousands. One hopes that this Coronation will be the greatest ever and that hereafter science will atone for this possibility of transferring masses of humanity from one place to another too swiftly by widening the range of human vision. The ruler of the State no longer suffers from Stentor's limitations. The day may come when television will provide every citizen with the opportunity to enjoy all the pomp of royalty in his own home without impairing the general effect by his own presence.

Yet there is a magnetic emotion in the crowd spirit which defies the impersonality of science. Millions of spectators do not make for magnificence of ceremonial, but their unity in a common enthusiasm furnishes something more imposing than all the material decorations that can be devised. A vast Empire concentrates its goodwill on the Sovereign who is the symbol of its greatness and the harmony of its sentiments creates a music that is not discordant to the music of the spheres. There is so much in our lives that is intangible and escapes analysis and definition. Indeed our lives would be worth nothing but for the emotions that evade our grasp and slip away like ghosts from the scientist's filter and measuring rod. The Empire is one in its enthusiasm for the Throne and its unanimity lays the foundation stone of a better world.

"DE BUSTIBUS"

NOBODY could possibly say that the bus strike reflected any particular credit on anyone concerned. It has, indeed, illuminated a certain inefficiency in English methods of dealing with dilemmas.

It would be quite inept at this moment to consider critically the rights or wrongs of the actual cause of contention. On the face of it the bus drivers and conductors have a case for consideration. The London Transport Board has also a case for consideration. But the first stupidity has been the manner in which the men's labour was withdrawn. All the assertions in the world will not persuade the public, travelling and otherwise, that a strike timed to begin on the very eve of the Cup Final and within ten days of the Coronation, when London had, more than ever in its life, a need for cheap and convenient travelling facilities, was not the tactical exercise of a powerful weapon. The romantic highwayman of Hounslow Heath may have asserted with a flourish and a bow that he

did not hold a pistol at your head when you were travelling unarmed along the dark desert of a blasted heath because the dice were thereby loaded in his favour, but because he was unable to wait any longer for the next feed for his horse. He may have assured you that your own helplessness was an accident which he positively regretted. But you—if you had been in that predicament—would not have believed him.

Quite frankly, the public are sure that the busmen struck at their selected moment with a cynical disregard of all the interests of the community. And this has alienated from them the public sympathy which it must be their strategical object to hold. It is not even as if bus drivers and bus conductors seemed to the public, either in their admitted rates of pay or by their appearance and demeanour, to be ill-used or down-trodden. No doubt they do suffer from divers diseases. But they have concealed these stomachic and nervous disorders by which they seem to be afflicted with so heroic an air of good health and well-being that the public find it difficult, all of a sudden, to regard them as impoverished invalids.

This was the first blunder—to prejudice the men's case by a show of cynical indifference to the public weal. The second blunder was to institute a public inquiry after the strike had become effective. If everybody knew, as everybody seems to have known, that an acute crisis was inevitable, and if some means had to be invented for getting both the London Transport Board and their workers out of a hole in which they all found themselves with quite a lot of sympathy and good will for each other, then surely, in the name of commonsense and the public interest, the public inquiry might have been started three or four weeks ago.

But when the public inquiry was started then the fun became fast and furious. A quite admirable gentleman, with valuable and successful experience in the past, was appointed as Chairman. But either it was blandly assumed that he could have no other duties or responsibilities or it was not considered advisable to invent for him a temporary freedom from these other duties, or, if that were impossible, to find another chairman. And thus it happened that, with the Coronation pending, with London crammed with citizens and visitors who needed transit facilities for work and play, the deliberations of the Court of Inquiry were delayed while its Chairman attended to other affairs.

This is not a sequence of events worthy of a well organised democracy. It is nothing much to write home about. If we had wished to show our visitors from the Dominions and from abroad one of the worst aspects of London life and industrial administration, we should have taken from beginning to end exactly those steps which have been taken.

We did not wish anything of the sort. We really wanted to advertise England and London as a perfectly good and well run show. We, then, the public, who are always "soaked" in the end, are thoroughly ashamed of the whole business and not in the least pleased with any of those who have taken part in it.

RUFUS THE REMOUNT

ONE day a bright bay gelding arrived from Remounts in response to the indent—furnished in triplicate—on which I had written the magic words, "Charger's one, commanding officer for the use of." That distinguished officer, however, who with sound sense, wanted a horse likely to be quiet on parade, refused to have anything whatsoever to do with such a vicious looking brute and so Rufus, as I at once christened him, was passed off on an unsuspecting company commander.

Their first appearance in public together was dramatic in the extreme and made us wonder whether Remounts had been trying to pay off once and for all a long standing grudge against our Colonel. For a moment it is true there was no indication of forthcoming fireworks, for Rufus stood quite still as his master mounted. Then up he went so high in the air as nearly to come over backwards in spite of a rain of blows on the head from a stout hunting crop. This turn he repeated at intervals, varying it every now and then with a few playful bucks until, becoming fed up with such a gloomy proceeding as a battalion parade, he bolted straight through the ranks of "A" Company.

Unlike the ranks of Tuscany the men of "A" Company, many of whom were knocked flat onto their backs, displayed no tendency to cheer whatsoever, but they did catch with some satisfaction, a fleeting vision of Rufus carrying their commander with the speed of an express train in the direction of the stables. It seemed unlikely to the watchers that their gallant Captain would be able to stay the whole course. In fact he did not do so, for Rufus, exhibiting for once some consideration towards others, deposited him with a resounding crash outside the mess. In that haven of rest we found him, after parade was dismissed, sparing no expense to soothe his shattered nerves.

But what of Rufus? What was to be done! A dragon about the place would have been no worse. As transport officer I myself was obliged for very shame to try to ride him, only to bite the dust after giving a most remarkable imitation of a catherine wheel. Then, not unnaturally, the grooms soon got tired of being kicked and bitten. The transport havildar remarked gloomily "Lal Ghora Shaitan Ka Butcha Hai" (the red horse is the son of the devil) but this did not help to get Rufus clipped and so we had a bright red shaggy coated horse with the temper of a fiend rampaging about the stables and making our lives a burden to us.

Then a disaster of the first magnitude happened. My own horse suddenly went lame so that I was faced with the alternative of either making another attempt to ride Rufus or else giving up all idea of attending the opening meet of the Anatolian Hunt. However, I was determined to hunt and so early in the morning of the appointed day sent off Rufus along with the other horses to where the hounds were in kennels.

On arrival in the train at the station we found Rufus dancing the fandango with so much enthusiasm that a friend with me asked what I had

left him in my will, while I, feeling like an early Christian martyr about to be thrown to the lions, prepared to mount. With the aid of good luck and several orderlies I got into the saddle, but the response was immediate and I was hanging on by my eyelashes, so to speak, when hounds came out from the camp and moved off along the Biyuk Dere.

Then in the twinkling of an eye everything changed. Rufus took one look at the hounds and proceeded to behave as decorously as if on guard outside Whitehall. His manners were perfect; he did not pull.

Eventually we killed in the open, and while hacking home I wondered whether the trouble would start all over again and the place of this well-mannered hunter be taken by a raging fiend. But no, not a bit of it; after that day Rufus became a perfect hack as well as a perfect hunter.

Then at last the time came to leave Turkey and we were obliged to hand our horses over to a British regiment. I for my part had tears in my eyes when I said good-bye to the best horse in Anatolia.

F.H.M.

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Books of The Day

TRANSPORTATION AND EMPIRE

IT was Sydney Smith who saw in the sturdy revolt of the "Currency Youth"—the progeny of the Australian transportees—against the vices of their parents "the first proof that the foundations of a mighty Empire are laid." That was in 1823, after Commissioner Bigge had issued his report showing that the offspring of the original convicts were a race markedly dissimilar from their parents, for whose depravity they had a supreme contempt. Bigge's report was subsequently endorsed by Cunningham, who spoke of the attachment of the "Currency Youth" to their native land and paid a warm tribute to their manly qualities. "Drunkenness," he said, "is almost unknown with them; honesty proverbial," and he went on to tell of a simple "Currency Lass" who was afraid to visit England because "of the number of thieves there"—an ironical commentary on the conditions in the home land as visualised by a succeeding generation from the accounts of those who had been transported from England at the close of the eighteenth century.

Perhaps it was consideration of the terrible inhumanity of the English criminal law in that century and of the failure of that law to suppress crime and also the contemplation of what followed transportation in Australia that have produced

apologists for a penal system that it is difficult to defend on any moral ground. The late Lord Birkenhead, in his defence of it, went even further than most of these apologists, for he ventured the rather astonishing opinion that "in a historical sense the wisdom and justification of that system lay in the incontrovertible fact that it worked well!" Compare this opinion with the verdict of the Select Committee of 1838, which condemned the system root and branch, declaring that it had failed both from a penal and reformatory point of view, that it had resulted in something closely resembling slavery and had exerted an evil influence on the nation at large. "The consequences of this strange assemblage (of transported felons) were vice, immorality, frightful disease, hunger, dreadful mortality among the settlers; the convicts were decimated by pestilence on the voyage and again decimated by famine on arrival."

The one and only merit of the transportation system was that it probably saved Australia for the Empire. Had Pitt not sent his convicts there, the country would almost certainly have been occupied by France. Whether Pitt's motive in coming to this decision was the patriotic one attributed to him by one of his recent biographers of forestalling the French or merely one of expediency, that of utilising Cook's discoveries to get rid of convicts who could no longer be despatched to America and for whom there was no room in English prisons, is a moot point. What is certain, as Dr. Eris O'Brien rightly insists in "The Foundation of Australia, 1786-1800: A Study in English Criminal Practice and Penal Colonisation in the Eighteenth Century" (Sheed & Ward, 12s. 6d.), is that "permanent progress in Australia came about independently of penal colonisation. Free men, whether immigrants or the offspring of the transportees, were the real founders of Australia. Free immigration has been responsible for Australian population. The English policy of free immigration, scientifically begun after 1830, affords but little scope for criticism. The penal colonising policy of the eighteenth century, and as continued up to 1820 at least, however, was the most futile, wasteful and harmful example in modern British history."

The value of Dr. O'Brien's book lies in the scholarly research that has gone to its making. It is indeed the first really comprehensive survey of the whole subject of Australian transportation, the author devoting half of his book to setting out the economic, political, social and legal background of this penal system in England and Ireland before embarking on the detailed story of the despatch, disposal and settlement of the convicts. The narrative is continued until the end of Governor Hunter's administration, it being Dr. O'Brien's intention to carry on the story in a subsequent volume.

THE QUAKER HEROINE

Elizabeth Fry was one of the small band of reformers who helped first to alleviate the evils of and then to bring about the abandonment of the transportation system, even though it survived, for some parts of Australia, after her death. She also was among those who were responsible for the pro-

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scribing of the ancient Indian custom of *sati* (widow burning). But her main claim to fame was, of course, her benevolent work in English prison reform: her prison visiting, her institution of prison libraries and educational classes, her pleas for women warders for women prisoners, for the reformation rather than the punishment of the criminal, for the building of model prisons. If Florence Nightingale was the Lady of the Lamp, Elizabeth Fry was "the Angel of the Prisons." More than twenty years have elapsed since the last biography of this remarkable woman was published and in the meantime a large number of letters and family papers have been discovered to throw fresh light on her life and work. Mrs. Janet Whitney, herself a member of an old Quaker family, has made full use of all this new material, as well as the diaries of Elizabeth Fry and her sisters, in a charmingly written, sympathetic Life of this great Quaker Heroine ("Elizabeth Fry," Harrap, illustrated, 12s. 6d.).

EIGHTEENTH CENTURY LONDON

Mrs. Rosamond Bayne-Powell has made a special study of English social conditions in the eighteenth century and, having given her readers an account of English country life in that period, she has now supplemented it with an equally readable story of London ("Eighteenth Century London Life," Murray, illustrated, 15s.). Every aspect of London life is dealt with, the sordid as well as the gay: the inns, taverns and coffee houses, the pleasure gardens and amusements, dress and fashions, doctors and quacks, crime, prisons and police, lotteries, gambling and superstitions, and many other things. It is a most informative book, full of curious and to most people unfamiliar facts. Take, for example, the extraordinary tale of Joanna Stephens' remedy for stone which won for her the recommendation of a Parliamentary Commission and £5,000 in cash. The remedy consisted of a powder, a decoction and pills. The powder comprised "egg shells and snails both calcined." The decoction was made by "boiling some herbs together with a ball which consists of soap, swine's cresses burnt to blackness and honey in water." The pills "consist of snails calcined, wild carrot seeds, burdock seeds ashen keys, hip and haws all burnt to blackness, alicant soap and honey." This was Joanna's own description and Mrs. Bayne-Powell adds the interesting comment: "To the general public this prescription might not have seemed anything out of way; indeed, the soap treatment was fashionable. Sir Robert Walpole had been swallowing soap for years, and when he died it was calculated that he had eaten one hundred and eighty pounds of it. As for snails, everyone knew what a valuable remedy they were in cases of consumption, and if in consumption, why not for the stone?" Moreover, when in the course of years a man whom Joanna had claimed to have cured died and his body was subjected to a *post mortem*, the doctors who performed the autopsy "discovered that the stone had made a little sac for itself where it was so well secured that it has caused no more trouble."

NEW NOVELS

Erich Maria Remarque, the author of "All Quiet on the Western Front," of which nearly five million copies have been sold, and of "The Road Back," which was only slightly less popular than its predecessor, works out the same theme of comradeship in his third novel—"Three Comrades" (Hutchinson, 8s. 6d.). This is a moving tale—all the more impressive because of the simplicity of its telling—of three German ex-Service men's struggles to earn a living in a world of unemployment and distress, with the love-romance of the youngest of the three evoking the loyal and unselfish co-operation of his comrades. It is a novel that once more illustrates Remarque's genius both for vivid portraiture and for making an intense realism the vehicle for an idealistic motif.

If anyone deserved to be murdered it was the terrible harridan who forms the corpse in Mr. Hugh Austin's "Murder of a Matriarch" (Heinemann). Mr. Austin spares no pains in revealing all the unpleasant features of her character, so when she does get killed, there are no regrets on the reader's part. There still remains the mystery, who did the deed? And on top of her murder comes another, the elimination of the Matriarch's heiress and daughter. Both crimes are very cunningly accomplished, but Mr. Austin's detective, Lieutenant Peter Quint, in charge of the Homicide Bureau, Hudson, U.S.A., is too clever even for the very astute murderer. It is an interesting story, with real live characters in it.

One does not usually look for humour in Wild West stories which almost invariably revel in

THE NATIONAL Review

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Episodes of the Month

The Future of Imperial Preference

By THE RT. HON. L. S. AMERY, M.P.

The Intentions of General Herzog

By C. W. A. COULTER, M.P. (South Africa)

India To-day

By J. C. FRENCH

Great Britain and Japan

By SIR REGINALD F. JOHNSTON, K.C.M.G., C.B.E.

Canada and The Monroe Doctrine

By M. A. KELLY

Echoes from Another Coronation

By THE VISCOUNTESS MILNER

Deaths on the Roads

By "ROADHOG"

Misquotations

By BRIAN PONTIFEX

The Colouring of Birds' Eggs

By B. R. PERRY

Scottish Notes

By THEAGES

Sport

By F. G.

A Rain Guide for the British Islands

By THE LORD DUNBOYNE

Correspondence:

Alison Russell, x.c.

The Lord Portsea

Lady Maxwell-Scott

Dr. Cloutesley Brereton

Ministerial Salaries

Books New and Old:

The History of South Africa

By ORLO WILLIAMS

A Canadian Poet

By A. NEVILLE ST. JOHN MILFORD

Sonnet of Bewilderment

By A. R. UBSDELL

Other Notices

Books Received

Postage (Book Post), 2d. (Canada), 1½d.

PRICE 2s. 6d.

PUBLISHED BY THE PROPRIETORS AT

35, Wellington Street, Strand, London, W.C.2

hair-raising exploits by "quick-drawing" heroes. But "A Gent From Bear Creek" by Robert E. Howard (Herbert Jenkins) introduces us to a deliciously humorous giant whose adventures, recounted by himself, in the racy vernacular of the backwoods, are well calculated to provoke hilarious laughter.

A. R. and R. K. Weekes are a pair of collaborators who can be relied upon for a good story, with entertainment as well as excitement in it. Both these ingredients are to be found in "Ninety in the Shade" (Ward, Lock) a well-written lively tale of a young girl's adventures and romance in Northern Africa.

"The Sundial Clue" by Ben Bolt (Ward, Lock) is not perhaps the best of that prolific writer's books, the ancient treasure theme on which the plot turns being a trifle hackneyed. But Mr. Bolt knows how to tell a story, with thrills and romance to it, and he does it here briskly enough to satisfy his reading public.

The scientific crime is apt to bewilder the unscientific reader, but Mr. John Donavan, in providing a crime mystery of this nature in "The Case of the Rusted Room" (Robert Hale), has obviously kept this point in view. Accordingly the explanation as to how the crime has been committed is given in easy stages by means of conversations between the unscientific Detective Inspector and his scientific assistant. It still remains to discover the perpetrator of the crime

and here, of course, there is a variety of conflicting clues. It is an ingenious plot and an excellent story.

OTHER NEW BOOKS

"We'll Go No More Roving," by "Freddie" Barton (Joiner & Steele, illustrated, 10s. 6d.); "North Country," by Edmund Vale (Batsford, with 127 photographic illustrations, 7s. 6d.); "Out of Africa," by F. G. Carnoch and H. L. Adamson (with 15 illustrations, Cassell, 12s. 6d.); "Betsy's Napoleon," by Jeanette Eaton (Cassell, illustrated, 3s. 6d.); "Pelican Inn" (novel), by Hilda Lewis (Jarrolds); "From Goring House to Buckingham Palace," by O. G. Goring (Ivor Nicholson & Watson, illustrated, 8s. 6d.); "Mainly About Wolves," by Ernest Thompson Seton (with illustrations by author, Methuen, 8s. 6d.); "Unlucky Farm" (novel), by F. E. Mills Young (Hodder & Stoughton); "Out of My Coffin," by Marchesa Stella Vitelleschi (Stella Rho) (Hurst & Blackett, illustrated, 12s. 6d.).

PUBLISHERS' PLANS

Messrs. Jonathan Cape will publish shortly "Britain Faces Germany," by Mr. A. L. Kennedy.

Another book on Germany will be coming from Messrs. Allen & Unwin towards the end of the month. This will be "Germany's New Religion" (translated from the German), by Professors Wilhelm Hauer, Karl Heim and Karl Adam.

THROUGH NINE REIGNS BOOTH'S DRY GIN HAS REIGNED SUPREME



Unchanged in two hundred years of history—only Booth's Dry Gin responds to the dual test of palate and eye. Its exquisite flavour is in itself a guarantee of purity—its pale straw colour absolute proof of maturity.

**BOOTH'S
DRY GIN**



Round the Empire

UNION AND CONFERENCE

LAST month in the Union Parliament General Hertzog was called upon to give an explanation of his Government's attitude in regard to various important matters that are likely to come up for discussion at the Imperial Conference. One of these matters concerned the somewhat thorny question of nationality. The Malanites had already voiced a protest against the term "British Subjects" and General Hertzog had agreed that the term was "unfortunate." This roused Colonel Stallard, of the Dominion Party, at a subsequent sitting, to bring up the point again and to remark that it would be singularly unfortunate if General Hertzog at the Imperial Conference used the same language about the term and conveyed the impression that he was voicing the views of South Africans generally. Colonel Stallard found support for his protest among members of the Government's following, and General Hertzog hastened to explain that the Imperial Conference of 1930 had considered the advisability of finding a more suitable term than "British Subjects" for defining the common allegiance to the Crown, but had been unable to find anything better. The question had been left over to be discussed at a subsequent Conference, and if a better term could be found he himself would welcome it. In regard to the Union Government's attitude to this matter he said that "the intention was to ask the British Government and the Governments of the other Dominions that in so far as their existing laws were not clear upon the subject and might imply a double nationality which might give rise in the future to unpleasant incidents, they should all try to get their laws so clear that there would be no doubt on the question."

Another matter raised was the Union Government's recent communiqué on the subject of Imperial Defence. General Hertzog explained that as soon as they had been informed that Imperial Defence would be discussed at the Conference they had immediately advised the British Government that they were not prepared to discuss questions of principle "because our Minister of Defence recently visited London and discussed all matters of defence with them then, and Great Britain had every opportunity of discussing every aspect of the question with him at that time."

Mr. Pirow, Minister of Defence, further elucidated the Union Government's position in this regard. He said that the Union's defence policy had been finally decided in 1928 and had been accepted by Great Britain. Nothing had been added to or subtracted from it, and he did not expect that Great Britain would ask that anything new should be added to it. When he was in England last the British Government expressed itself 100 per cent. satisfied with the Union's defence policy. In so far as Simon's Town was a strategic point it might be said that the Union had something to do with the scheme for the defence of the Empire. But, he added, "it is our fixed policy

not to take part in any scheme of common defence, because our whole scheme of defence was laid down and decided on with the aid of, and in consultation with, the Committee of Imperial Defence in 1928. That is the reason why the British Government was advised that we had nothing more to discuss because our policy was fixed." Any question of defence which might be discussed would only centre in the types of aeroplanes, machine guns, and so forth, and would not involve matters of principle.

On the vote of the Governor-General's salary in the Union House of Assembly a Malanite member asked for both the curtailment of pageantry at the opening of Parliament and the substitution for "God Save the King" of a South African National Anthem. General Hertzog, in replying, said that he had every sympathy with the suggestion for a more simple opening ceremony, but this was a matter for Parliament as a whole and not the Government. He was in complete agreement, too, he added, with the proposal to substitute a South African National Anthem for "God Save the King," provided that National Anthem met with the united wishes of the entire South African people. At the same time they must not forget that the English National Anthem was sacred to a very large section of the population. It was essential that they should have their own National Anthem; but they would never have it if they pressed the claims of one particular section against the other. There must be complete unanimity between the two sections on a National Anthem. Why, even among their own Afrikaans-speaking peoples they differed on the suitability of a national anthem. Some wanted "Die Stem van Zuid Afrika," others "Sarie Marais," and others "Afrikaners Landgenote." As long as this difference in the Afrikaans-speaking section existed they could not expect to have unanimity on the subject of a National Anthem.

GENERAL HERTZOG AND HIS SON

Prime Ministers and their sons do not always see eye to eye with one another in matters political. Witness Mr. Baldwin and his son and now General Hertzog and Dr. Albert Hertzog. In the Union Parliament General Hertzog found himself forced to explain that certain activities of his son had caused him considerable surprise and anxiety. For several years his son had been attempting to set up an organisation to assist Afrikaners coming from the country to the city and to protect them. He came to him (General Hertzog) for financial support, but he (General Hertzog) could not assist him on the grounds that the establishment of such an organisation would play into the hands of his political enemies and it would mean that such an organisation would become a political movement. Last February his son again visited him at Groote Schuur and asked him for financial help for the movement and again he regretted that he would not be able to support him. His son gave him the names of the donors and trustees of the fund and to his astonishment he found that they were all members of the purified Nationalist Party (the Malanites). In the meantime he had nominated

his son as a director of *Die Vaderland*. To his surprise he had recently read in the newspaper a report of a meeting at Krugersdorp from which it appeared quite obvious that his son had wanted financial support from him to fight his (General Hertzog's) own party. His son addressed a Krugersdorp meeting and strongly attacked the mining magnates and the Government. It was therefore clear that he (Dr. Albert Hertzog) could no longer remain a director of *Die Vaderland*, which was a Government organ, and yet attack the Government. "I informed my son that it was better for him, and also for me, if he resigned from the directorate, and he has now resigned."

SERVANT OF THE EMPIRE

Reports that Mr. S. M. Bruce intends to relinquish the Australian High Commissionership in London have evoked somewhat mixed feelings among Australians. The Government and people of the Commonwealth realise that the elevation of Mr. Bruce to a Ministerial post in the British Cabinet would be a signal compliment to their country. At the same time, they are reluctant to see him vacate the High Commissionership. It may be said, without minimising the work of previous holders of the post, that Mr. Bruce is the most able representative Australia has had in the United Kingdom. His reputation with leaders in British politics and finance is secure, and his extraordinary capacity for interpreting the Australian viewpoint to Britain and the British viewpoint to Australia makes him an invaluable liaison officer. Therefore, it is encouraging to learn from an irreproachable source that Mr. Bruce is likely to continue in his present post for a further term of at least three years.

His future will be discussed during the visit of Mr. Lyons, the Australian Prime Minister, who arrived in London last Saturday. It is felt that Mr. Lyons will succeed in convincing him that the Commonwealth cannot spare his services. Had it been possible for Mr. Bruce to enter British politics as the head of an Empire Defence Ministry, Australia would no doubt have waived its claim on him, however regrettably. But preliminary soundings have disclosed that not only British parliamentarians, but also the parliamentary leaders of several of the Dominions are opposed to the creation of such a Ministry. In these circumstances, it is reasonable to conclude that the interests of the Empire at large, as well as those of Australia, would be best served by his continuance in the chief administrative chair of Australia House.

NEW ZEALAND MARKETS

Conservative thinkers may, with some justice, criticise the more extreme Socialist ideas of the New Zealand Government, but there is no fault to be found with its endeavours to increase the prosperity of the Dominion by widening the volume of external trade. Mr. Nash, the Minister of Finance, has concentrated since he arrived in this country chiefly on plans for developing trade between the United Kingdom and New Zealand. His

Government has made Empire trade the cornerstone of its commercial policy, and there is no fear of any departure from this line. At the same time, New Zealand realises that the Dominions cannot continue to look to the United Kingdom as practically their only market on this side of the world. It was with the object of finding new avenues for the disposal of the Dominion's increasing products that Mr. Nash left recently on a visit to Germany and Russia. He returned at the beginning of the month, justly satisfied with the results of his trip.

His conversations with German leaders demonstrated that there are big trade opportunities on the Continent for those Dominions which are enterprising enough to go out and seek them. Parenthetically, it may be remarked that this fact had been demonstrated earlier by the conclusion of a trade agreement between Germany and Canada. Mr. Nash has reached a tentative agreement which is expected to double the volume of two-way trade between Germany and New Zealand. Certain formalities have yet to be observed, but it is virtually certain that the pact will be signed and sealed before Mr. Nash leaves for New Zealand in June. Such success should hearten the other Dominions. It may also have the more practical effect of inspiring their trading representatives to explore the huge field of the Continent in an endeavour to strengthen their own prosperity and, with it, that of the Empire.

A FLYING PREMIER

Once again Mr. G. Martin Huggins, Prime Minister of Southern Rhodesia has been living up to his reputation as "The Flying Premier" by flying from Salisbury to London. This time for the Coronation. His interest is not only in politics. He is an F.R.C.S., and despite his onerous duties as Premier he keeps in touch with his profession by acting as surgeon before breakfast. Mr. Huggins was born at Bexley, Kent, 53 years ago. He went to Southern Rhodesia in 1911 on a *locum tenens* job and liking the country stopped and worked up a leading practice. He was then persuaded by his friends to take up politics and in 1923 when Southern Rhodesia was granted responsible government, Mr. Huggins entered the Colony's first Parliament. He has been Prime Minister for the last three years. Mr. Huggins will be accompanied by Mr. J. H. Smit, Rhodesia's Minister of Finance and Commerce. Mr. Smit has an enviable task with his Budgets. Income Tax, for instance, is a pleasure to pay, if one has any to pay! As an example, a married man earning £1,200 a year with two children, one "dependent," a £100 a year insurance and a £10 a year Friendly Society only has to pay income tax on £170—and this at the rate of 6d. in the £. The tax paid is, therefore, only £4 5s. 0d. Mr. Smit was born in Holland in 1881. He went to Rhodesia thirty years ago and became a naturalised British citizen. There is no more ardent Britisher and Imperialist. He is a business man and entered the Rhodesian Parliament in 1931, where his financial knowledge was quickly recognised.

Letters to the Editor

A MISUSED WORD

[From Sir Nicholas Grattan-Doyle, M.P.]

Sir,—Recent meetings of the British Spas Federation and of other British holiday resorts associations prompt me to appeal, particularly to those who write for the Press, for a more accurate use of that much misused word "spa."

Spa has one meaning only—a place with a natural spring, the waters of which are applied to the treatment of disease.

The similar use of ordinary tap water, or of artificially prepared water, or even sea water at hydropathic establishments or town clinics does not make the places which use them spas.

That is not to say that these places have not their uses. On the contrary, many of them are doing very valuable work. But they are not spas. That is the point, and in the interests of accuracy I feel strongly that the word should be reserved for actual spas, of which in Great Britain there are eleven.

N. GRATTAN-DOYLE.

THE "RIGHT" TO STRIKE

Sir,—Strikes which have the effect of disorganising any of the essential public services should be forbidden by statute in Britain as they are so forbidden in well-governed European countries not addicted to misplaced sentiment. Such legislation could not be said to be aimed at any particular class since strikes in essential public services and industries affect everybody. Under such legislation an impartial tribunal, free from the taint of partisanship inseparable from political parties as we know them to-day, would adjudicate upon the merits of any dispute vitally affecting the welfare of the general public, and its decision should be final. There is no more justification for strikes in our essential services and industries than there would be for stoppages in our fighting or administrative services and the time is overdue when the nation should take steps to render stoppages of this kind impossible. Nobody could advance any logical objection to legislation which would preserve all industries and services affecting the general public from the loss, confusion and inconvenience caused by these disputes.

PHILIP H. BAYER.

58, Welbeck-street,
London, W.1.

BUS STRIKE INQUIRY

Sir,—As I write there is hope of a bus strike truce. May that hope be well-founded. But the question I wish to raise is not affected by the chances, good or bad, of that truce. How, I would like to know, did it come about that the inquiry was unable to be resumed on Tuesday till 4.15 p.m.? I am aware, of course, that the Chairman's "prior engagement" is said to have been that he was briefed to appear in a case concerning the Bank of Ethiopia—a case that had been partly heard last

week and was "down" for Tuesday morning. But surely when the public's convenience was so vitally concerned as it is in this bus inquiry, no law case, however important to individuals or companies, ought to have been allowed to cause a postponement of what was infinitely more important.

J. L. STEVENS.

Haverstock-hill, N.W.3.

THE PROFITS TAX

Sir,—The Chancellor in his Budget statement indicated that the Profit Standard would be based on the average of the profits of the concern as disclosed by its accounts for the three years ending within the fiscal year to 5th April, 1936. It is recognised that in the last of these years there was a considerable improvement in profit which could not be attributed to the Government's re-armament programme. Therefore in the case of a concern which makes up its accounts to, say, the 30th September, one half only of its profits for the year ending the 31st March, 1936, will be brought into the computation for the Profit Standard. But a concern which makes up its accounts to, say, 31st March, will have the whole of its profits for that year brought into the computation and will thus be given a higher standard.

This differential treatment will obviously lead to inequitable results and I hope that Mr. Chamberlain in view of his very conciliatory statement in the House of Commons recently will in the Finance Bill see his way to make provision for the apportionment of profits on a time basis to cover the fiscal year. The very existence of a profits tax is bound to be a strong temptation to any future Chancellor of the Exchequer faced with an emergency, which might arise from a very different cause, to retain the imposition. Very nearly one hundred years ago income tax was first imposed. It was 7d. and it too was described as purely a temporary measure. But income tax is still with us—and it is a very long time since it was 7d.

In conclusion may I express the hope that the language of the Bill will be intelligible and clear, so that the minimum of recourse to the Courts will be necessary for its elucidation.

DECIES,

Director,
Income-Tax Payers' Society.

Abbey House,
2, Victoria-street,
S.W.1.

COMMON-SENSE IN POLICY

Sir,—There was an uncommon amount of sound sense in your leading article in your issue of May 1. One could only wish that kind of common-sense would really direct our foreign policy in the future. It has certainly not done so in the past year or so: what you call "the sentimental emotions of the moment" were very much to the fore when we were provoking Italian indignation with our idiotic sanctions. Our Mr. Eden seems to be pursuing a less flamboyant course latterly. For that at least we should be sincerely thankful. But

COMPANY MEETING

Modderfontein B Gold Mines

Record Tonnage Milled

Working Costs Again Lower

MR. R. S. G. STOKES, the chairman, presiding at the Annual Meeting of Modderfontein B Gold Mines, Limited, held in Johannesburg on Monday last, in moving the adoption of the report and accounts, said a new record in the annual tonnage milled had been established by a narrow margin, but the outstanding feature of the past year's work had been the close similarity between the operating results obtained during the period and those recorded for the previous 12 months.

The changes in the tonnage in the gold yield per ton, in working costs, and in the ore reserve tonnage and value were of little or no account. The marked degree of operating stability displayed, although the mine was so heavily dependent upon low grade ore drawn from sources outside the ore reserves, must be regarded as particularly gratifying.

Burden of Taxation

The decline in dividend declarations, which had totalled 55 per cent. for the year, against 60 per cent. for the previous year, was chiefly attributable to the heavier burden of taxation imposed by the Government as from January 1, 1936. The decline was also reflected in a fall of 1s. 9d. per fine ounce in the average price received for gold.

No capital expenditure had been incurred during the year and there was a credit on the capital account of £37,849, representing the amount accruing to the company as freehold owner of the Bewaarplaatsen worked by a neighbouring company.

During the current year it was proposed to spend £18,000 on the installation of an additional unit in the air compressor station, which was at present overloaded. The cost of that extension would be refunded by the Victoria Falls and Transvaal Power Company over a period of years, in accordance with the terms of the original agreement with that company.

Satisfactory Development on the Main Reef Leader

Development on the Main Reef Leader had again been confined to subdivision of blocks of doubtful value and exploration of small faulted areas, and the results on the whole were satisfactory. The areas remaining for further subdivision were steadily diminishing and the gradual decrease in the number of available development faces would continue. At the same time it was satisfactory to observe that the available ore reserve, re-estimated at the close of the year, was fully maintained at over 8,000,000 tons with a value of approximately 4dwt. per ton.

It was indeed not to be expected that the decline in the ore reserves to be recorded in later years would follow closely the decrease in the development footage, for additions to the ore reserves were being constantly disclosed as the result of exploratory stoping.

An important factor of strength in the position of the company lay in the low level of its working costs per ton. The average for 1936 of 14s. 1d. per ton milled, or 1d. per ton less than for the previous year, reflected credit upon the management, especially in view of the increase in the surface sorting from an average of 9.8 per cent. to 11.7 per cent. On the other hand, there had been a decrease of 5,168 feet in the amount of development charged to working costs. The working costs, dependent upon the maintenance of maximum crushing capacity, allowed big tonnages of marginal ore from miscellaneous sources to be profitably mined.

During the year the Upper Leaders produced 162,822 tons, and of the ore stoped upon the Main Reef Leader substantially less than half had been drawn from the ore reserves. On the assumption that the present industrial conditions continued, it should be possible to mine the greater part of the intact areas on the Main Reef Leader in addition to the present ore reserves.

Exhaustive Testing of the Upper Leaders

At the same time the possibility of proving any additional resources of ore on other horizons had received close attention. Exhaustive testing of the Upper Leaders was part of the underground routine. These erratic ore bodies had to date yielded over 1,800,000 tons of ore, and should continue to contribute profitably and heavily to the mill tonnage for several years.

The Kimberley Reef formation underlay a small portion of the company's property, but the ore bodies of that series did not appear to extend within the company's boundaries. Upon the Bird Reef horizon results of development and drilling had been consistently unfavourable, and consequently exploratory work was now being closed down. Testing of Bird Reef had admittedly been speculative, but indications had been sufficiently encouraging—in view of the great tonnage of well-mineralised basket involved—to demand a thorough investigation of the mining possibilities.

The South Reef, which was profitably worked on a neighbouring mine, had in the past been tested at several points at Modder B by boreholes and underground development, but reef disclosures had been consistently unpayable.

Encouraging Outlook

In the formation underlying the Main Reef series other reefs might be expected to occur, but the evidence at present available and the results of general investigations in the district were not sufficiently encouraging to warrant expenditure upon further exploration. "We to-day accept the position," added Mr. Stokes, "that there is little hope of making new discoveries of any importance upon the property, and that every effort should be made to maintain for as many years as possible the high standard of economy and efficiency and sound financial results by which the current operations of the company are characterised. The outlook is encouraging. Since the close of 1936 production and working profits have shown no decline, and it is expected that if there is no adverse change in the general industrial conditions these satisfactory standards will be maintained at least throughout the current year."

The report and accounts were adopted unanimously.

BOOTH'S DISTILLERIES

The directors of Booth's Distilleries, Limited, announce that certain negotiations are pending which, if carried through successfully, will, in their opinion, be to the advantage of the company. In these circumstances the directors advise shareholders not to sell their shares pending the receipt of a communication which will be issued in due course.

Your Investments

AFTER THE FALL IS OVER

STOCK Markets have undergone a wave of liquidation unprecedented since the break of the 1929 boom. Conditions then and now are being compared in some quarters but in truth there seems little ground for such a comparison for whereas in 1929 high prices were based solely on speculative activity, chiefly on Wall Street though in evidence in every centre, now prices are based on solid industrial prosperity and the hope a revival in international trade to maintain it. The results published almost daily by industrial companies, by mining concerns, rubber plantation companies and by the steadiest of public utility concerns, all provide evidence of increased trading prosperity in every sphere and amid all this we have a continuance of "cheap money" and Bank Rate at 2 per cent. What then is the cause of the severe fall in prices which in a week or two has knocked several hundred million pounds off security values in the London Market alone?

First, the speculative position, though based on solid enough foundation, was getting unwieldy and official banking action was applied to reduce credit available for such speculative purposes. Second the rise in commodities, largely through speculative influences, was embarrassing Governments here and in the United States so that deflationary action was becoming essential before the boom got out of hand. Third, the market was in a nervous over-bought condition and the time was ripe for a "Bear-raid." When to these factors the scare as to the future of gold was added and the Chancellor imposed upon industry the maximum of uncertainty as to the future of taxation, uncertainty which so far he refuses to alleviate or even to recognise, it is little wonder that a sharp break in prices should have occurred. Now, local financial trouble in London, for which Johannesburg speculators are chiefly responsible, has added fuel to the flames and the Stock Markets entered upon the Coronation account in a nervous frame of mind.

THE DEFENCE LOAN

It was particularly unfortunate that the Chancellor should have turned a deaf ear to the City's appeal for relief from taxation uncertainties at a time when he required its assistance in floating £100,000,000 Defence Loan. There was little chance at such a time of the Loan meeting with the response which such an issue should warrant. It was, in the first place, a loan calculated to appeal to the banks and financial institutions rather than to the investing public and it was issued at a time when these institutions were forced to maintain

the maximum liquidity of their funds. It will take markets some time to recover from this series of blows and in the meantime the Chancellor will have suffered severe declines in receipts from Stamp Duties and from Death Duties, capital values of investments in such estates having been reduced by anything up to 30 per cent. Co-operation between the City and the Treasury has been one of the features of Britain's financial recovery. It is to be hoped that the Exchequer will not in future suffer from the mistaken idea that the City is merely a handful of "capitalist speculators."

A CHANCE FOR THE PUBLIC

If "cheap money" is to be maintained at all costs and apparently that is the keynote of the Government's policy, then yields are not likely to remain long at the level to which the fall in share prices has brought them. The investing public is thus faced with a good chance of "getting in on the ground-floor" again. Until it is seen how the new National Defence is really to work, it must be ignored and at any rate the current year's earnings of companies will not be affected by it. It is possible by a glance at the industrial list to pick out five or six of the soundest companies to give reasonable income yields on their ordinary capital and with every chance of some gradual capital appreciation. Dunlop Rubber at their present price of 33s. yield nearly 5½ per cent. on the basis of the 9 per cent. paid for last year. Imperial Chemical Industries at 37s. return £4 6s. 6d. per cent. and no one imagines that the new tax will mean any reduction from the 8 per cent. dividend now being earned with such a large margin. Imperial Tobacco at their present price yield nearly £4 8s. per cent. gross. In the Iron and Steel list, Vickers return nearly 4 per cent., United Steel Companies at 29s. 4½d. yield over 5 per cent., and Baldwins 4s. units at 10s. yield fully 4 per cent. All these are quite attractive with Baldwins and Vickers standing the best chance of substantial capital appreciation.

HOME RAILS

Home Railway stocks are also commanding considerably less buying attention than they should for the rise in freights should offset any chance of wages troubles in the current year. L.M.S. ordinary yield at 29 about £4 4s. per cent. and G.W.R. at 59 return over 5 per cent. while Southern preferred actually give a yield of over 5½ per cent. Similarly in the preference list L.M.S. 4 per cent. 1928 return nearly 5½ per cent. at their present price and North-Eastern Fours yield over 6 per cent. The Railways are not affected by the new tax as none of them earns 6 per cent. on its capital and the stocks for income purposes appear very attractive at the moment.

NORTH BRITISH & MERCANTILE
INSURANCE Co., Ltd. Total Assets £53,202,250 Total Income exceeds £10,300,690
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COMPANY MEETING

Imperial Chemical Industries, Ltd.

Expansion of Profits and Activities**Lord McGowan on the Outlook**

THE 10th annual general meeting of Imperial Chemical Industries, Ltd., was held on April 29th at the Queen's Hall, Langham-place, London, W.

The Right Hon. Lord McGowan, K.B.E., D.C.L., LL.D. (Chairman and managing director), in the course of his speech said : The 7th December, 1936, marked the tenth anniversary of the formation of Imperial Chemical Industries, Limited, and the completion of our first decade appears to me an appropriate moment for reflecting on what we set out to do and what we have accomplished.

There is little need to remind you that your company was formed by merging the interests of the British Dyestuffs Corporation, Limited, Messrs. Brunner Mond and Company, Limited, Nobel Industries, Limited, and the United Alkali Company, Limited, each of them companies with an established reputation running back, through their subsidiaries, for nearly a century. Since that time we have gathered to ourselves some forty other companies of varying magnitude and interest, engaged in cognate industries. To-day, I.C.I., at home and abroad, in every aspect of its many-sided activities, is not a collection of different units, but one organised whole.

Return to Reasonable Prosperity

We have passed in this ten years through the depths of the greatest industrial and agricultural depression known in modern economic history, but have now, in common with the general industries of the country, returned to the level of reasonable prosperity at which we began. At no time did we fail to pay dividends out of profits. The average rate paid on the Ordinary stock amounts to 7.2 per cent. per annum, and even at the lowest depth of the depression we were able to pay not less than 4½ per cent.

We have consistently maintained a policy of intensive research, directed to the improvement of existing processes, the discovery of fresh uses for existing products and the development of new processes and products. Our total expenditure for this purpose has been no less than £8 million. We have continuously studied and pursued the policy of rationalisation and concentration which we originally set before us. During the ten years we have closed 38 factories and spent some £7 million on concentration schemes.

We have steadily followed a labour policy founded on friendship and our appreciation of the valuable part played by our workers through every section of our organisation. Our general relations with the various Trade Unions have been excellent and a number of your directors meet their leaders from time to time on our Trade Union Advisory Council.

Annual and statutory holidays with pay, Territorial leave on a generous basis, awards for long service, payment for valuable works suggestions and the establishment of a staff grade of workers are clear evidence of our policy. We have provided medical and dental services as well as recreation facilities at our principal works, where sports and games and social functions are encouraged.

The Billingham Petrol Plant

Of the general progress of our ten manufacturing groups there is ample evidence in the annual report, and

there is little for me to add. I want, however, to say something more in regard to the petrol plant at Billingham.

When we started this enterprise and planned an annual production of 100,000 tons of petrol from the hydrogenation of coal and 50,000 tons from tar oils, we knew that, particularly with regard to coal, we were pioneering in a new technical field and that we were therefore incurring all the attendant risks of such a step.

It was for this reason that we were not willing to invest some £8 million of new money until we had the assurance provided by the British Hydro-Carbon Oils Production Act 1934 of a continuance, within stated limits, of the protection afforded to home production by a Customs Duty on imported oil with no inland Excise Duty. It seems to be thought in some quarters that this Act of Parliament provides the company with a subsidy of £1½ million per annum, that amount being calculated by applying the Customs Duty of £10 a ton to our planned production of 150,000 tons per annum. I need hardly assure you that our petrol production is no more subsidised by the existence of an Import Duty on petrol than the steel industry is subsidised by the existence of an Import Duty on steel ingots and castings. In other words, if we are to regard this enterprise as subsidised to the extent of £1½ million a year, then I calculate that steel production was subsidised in 1935 to the extent of some £90 millions. This carries its own conclusion.

Questions are also continually put in the House of Commons asking whether this enterprise has been a commercial success and implying that the company is under some obligation to the Government to supply detailed particulars of the financial results to date. There is no more warrant for this expectation than there would be for a similar demand on any manufacturer of any other product in this country which has the protection of a Customs Duty.

Steady Improvement in Operation

For general commercial reasons it is not the practice of the company to disclose the financial results of any particular activity. All that I can say, therefore, in regard to the hydrogenation plant is that up to date it has not shown results which would justify its description as a good commercial proposition even with the advantage of the existing Customs Duty, and without that protection, of course, the enterprise would be uneconomic. These results are explained by the fact that we are in the early stage of a new industry, the first of its kind, not only in this country but in the world, in which we have met with more difficulties than we anticipated. Nevertheless we have overcome first one trouble and then another, so that throughout last year there was a steady improvement in the working of the plant, while the personnel has become thoroughly familiar with the intricacies of the process.

We are still convinced that we took a right decision when we embarked on this enterprise and, notwithstanding the great publicity recently given to alternative methods, we are satisfied that the hydrogenation system is the best technical and commercial process for the conversion, without creating by-products, of coal into motor spirit. Moreover, it is developing an entirely new field of the chemical industry from which we are already deriving ancillary benefits of considerable value.

Visit to Australia and New Zealand

I have only just returned from an extended visit to Australia and New Zealand. Our subsidiary company, Imperial Chemical Industries of Australia and New Zealand, is making excellent progress. Australia is one of the few countries which handled the difficulties of the depression in an ordered manner. The last few years have shown a striking recovery, in which our company there has shared.

It has a wide range of interests, in explosives, alkali, leather-cloth, ammonia, fertilizers, metals and ammunition. Recently we were asked by the Commonwealth Government to help in Australian defence, which we felt bound to do in view of our large interests there. Imperial Chemical Industries of Australia and New Zealand has accordingly participated in a new company, called the Commonwealth Aircraft Corporation Proprietary, Limited. With a capital of £600,000 it intends to carry out the complete design and production of aircraft at a factory in Melbourne where the employment of some 600 skilled workers is expected. A preliminary order for 40 airplanes has already been placed with the corporation by the Federal Government. There is also a keen interest in the production of oil from coal.

Profits and Allocations

I am glad to say that the company's net profits show a further moderate increase of £497,000, or 7 per cent., after providing £1,000,000 for the central obsolescence and depreciation fund and the necessary amount for the Company's income tax. The board have appropriated £1,500,000 to the general reserve, and have also this year put aside another £150,000 for the workers' pension fund. The board recommend a final dividend of 5½ per cent. on the Ordinary stock, which, with the 2½ per cent. interim dividend already paid, makes a total dividend for the year of 8 per cent. on that stock.

The increase in the year's net income corresponds almost exactly to the additional appropriation to the general reserve. In taking this course, the board are continuing their conservative financial policy.

The litigation in regard to the company's capital reorganisation scheme came to an end in the middle of November last by the decision of the House of Lords to dismiss the final appeal of the committee representing certain Deferred stockholders. The scheme was formally brought into effect by the withdrawal of the Stock Exchange quotation of Deferred stock, and by the payment to the former Deferred stockholders of the suspended dividends on the new Ordinary stock issued in exchange for the former Deferred stock.

At the 31st December, 1935, the board carried the amount of £5,484,000 by which the company's capital was reduced to the capital reserve, pending the subsequent decision of the board in regard to this sum when the final result of the company's petition was known. During the hearing in the House of Lords and in the Lower Courts, apprehension was expressed by counsel for the opposing Deferred stockholders in regard to the possible distribution of this sum by way of a bonus issue of shares, the major part of which would inure to the benefit of the Ordinary stockholders.

Writing Down of Assets and Investments

While the board have always disclaimed any intention to use this sum in such a manner, the resolutions passed at the extraordinary general meeting referred to were wide enough to permit of that course. To put this issue beyond further dispute, the board have decided, after making their usual annual review of the values of the company's plants and other assets held through the wholly-owned subsidiary companies, to apply it, together with further sums drawn from the company's reserves, to writing down fixed assets and investments as represented by shares and debentures in and advances to subsidiary companies. The total amount to be so written off is £6,984,000, of which £5,484,000 has been provided by the reduction in capital, £500,000 by the free reserve and £1,000,000 by the central obsolescence and depreciation fund.

These heavy writings off have been applied in the main to the value of works at home concerned with the production of nitrogen, petrol, etc., and abroad to dealing with the present decline of our businesses in Spain and Palestine, and our foreign merchanting companies as a whole, as a result of currency depreciation and competition.

A detailed examination of future prospects convinces us that the export market is more likely to decrease than increase over the coming years. In this country nitrogen prices are at present very low and will not support high capital figures, in the face of heavily reduced output. We have, therefore, revalued the whole investment in the light of a reasonably conservative estimate of its prospects. In spite of this major change in world trade, Billingham is still one of the largest industrial works in the country, employing more men than any other single factory of the company.

It is with the utmost satisfaction I record that the relations between the company and its co-workers—in whatsoever capacity employed and wheresoever engaged—founded and maintained on a basis of good will and friendly co-operation, become more firmly cemented with the passage of time. Evidence of this was amply provided by the zeal and efficiency displayed by all grades, staff and workers, in contributing to the satisfactory progress achieved during the past year.

Prospects for 1937

With the world-wide tendency to rising commodity prices upon which I have already remarked, with a policy of rearmament, and with no likelihood of any serious setback in general building activity, there seems to be no reason to anticipate any decline in 1937 in the general level of the country's activity. It does not, of course, follow that profits will show the same tendency. We have to face notable rises in the prices of our raw materials, and the increases in wages will add substantially to our costs.

The policy which I outlined to you last year was a policy of price reduction, of keeping our prices as low as possible in the belief that it would help our customers and so extend our business. In this way we have endeavoured to stand shoulder to shoulder with the industries which depend upon us for supplies, but the rising trend in the price of raw materials and the cost of wages may shortly make it necessary for us to review our present range of selling prices. While we have little doubt of the volume of home trade, we find it difficult to contemplate the situation in export markets with equal confidence. However much as we may disapprove of economic nationalism, it is a tide we cannot stem.

These facts lead me to a cautious view of the outcome of the year 1937, but you may rest assured that as in the past the efforts of the whole organisation will lie behind the desire to meet you next year with a balance sheet and report which you will regard as satisfactory in the conditions which have appertained.

Offer to Salt Union Stockholders

I must add a few words in regard to negotiations which have taken place for an offer by your company to the stockholders in the Salt Union, Limited, to acquire their stock. The formal offer was placed before the stockholders of the Salt Union in a circular letter from their board on Tuesday.

There has been a close alliance between the Salt Union and your company for a great many years, originating from agreements entered into by Brunner, Mond and Co., Ltd., before the I.C.I. merger took place. This association has latterly brought the interests into closer relation and the time has now come when, in the opinion of both boards, it would be to the interest of their stockholders to make that association permanent.

We have every hope that the Salt Union stockholders will accept the terms of exchange offered to them and that, in due course, this new activity will increase the strength and prosperity of your own company.

The report and accounts were unanimously adopted and the dividends as recommended were approved.